

PRELIMINARY

DISTRICT OF COLUMBIA

There were two local governments in the District of Columbia as of June 2002.

COUNTY GOVERNMENTS (0)

There are no county governments in the District of Columbia.

SUBCOUNTY GENERAL PURPOSE GOVERNMENTS (1)

Municipal Governments (1)

The District of Columbia, within which the city of Washington is located, is classified as a separate county area and as a separate state area in population statistics, but is counted as a municipal government in census statistics on governments. An elected mayor and an elected council, comprised of 13 members, govern the District of Columbia.

In 1995, in response to the District of Columbia's financial crisis, the U.S. Congress created the District of Columbia Financial Responsibility and Management Assistance Authority comprised of five members appointed by the President (P.L. 104-8). The Authority was provided with broad powers, during periods of District of Columbia government financial difficulty, to review and to approve the budget, legislation, contracts and borrowing of the District government. The Authority suspended all activities on September 30, 2001, when all conditions for suspension had been satisfied. The Authority is classified, as a component part of the city government. When active, the Authority reports annually to the U.S. Congress.

The National Capital Revitalization and Self-Government Improvement Act of 1997 (P.L. 105-33, Revitalization Act), legislation passed by the U. S. Congress, was effective on October 1, 1997. The Revitalization Act created many financial and structural changes between the District of Columbia and the federal government. The annual federal government appropriation in lieu of property taxes was exchanged, beginning in fiscal year 1998, for the federal government assumption of certain specified costs. The federal Medicaid reimbursement rate was increased to 70% from 50%. The debt service limitation was increased to 17% of general fund revenues from 14%. The federal government assumed pension costs for services rendered prior to July 1, 1997. The federal payment in lieu of taxes was eliminated and a federal contribution of \$190 million was authorized to reflect restrictions and unusual costs imposed on the District.

The District of Columbia government, in addition to functions generally performed by cities, performs state and county-type functions. The Revitalization Act impacted two such functions, the court system and the felony offender system in the District of Columbia.

The felony offender (prison) system was designated for transfer to the federal prison system over a period of several years. This transfer was completed in fiscal year 2002 and property comprising the Lorton Correctional Complex in Lorton, Virginia, which also closed that year, was transferred, without consideration, to the Fairfax County Water Authority of Fairfax County, Virginia. The District of Columbia jail and related activities continue as the responsibility of the District of Columbia government.

The District of Columbia Courts. Effective for fiscal year 1998, the principal funding source for the District of Columbia courts, both superior court and the appeals court, along with the court system is a federal appropriation paid directly to the Joint Committee on Judicial Administration in the District of Columbia. The courts and court

system remain classified as a part of the District of Columbia government.

The Public Defender Service and Other Court Related Activities. Activities related to operation of the District of Columbia courts and court system were addressed also in the Revitalization Act. Effective for fiscal year 1998, the Public Defender Service for the District of Columbia was designated for funding from federal sources. The Public Defender Service, an independent agency operating under the general policy direction of an 11-member board of trustees, appointed by a panel consisting of the chief judges of the District of Columbia courts and of the United States District Court for the District of Columbia and the mayor of the District of Columbia, remains classified as a part of the District of Columbia government. Funding for the Public Defender Service is provided by a federal appropriation received as a transfer from the Court Services and Offender Supervision Agency (CSOSA) for the District of Columbia, a federal government independent executive branch agency created under provisions of the Revitalization Act. CSOSA, the federal agency, is responsible for providing supervision to offenders on probation, parole, and supervised release for violation of District of Columbia Code offenses. CSOSA operated as a District of Columbia agency for three years until certified as an independent federal agency in August 2000. The **District of Columbia Pretrial Services Agency**, an independent entity within CSOSA and therefore classified as federal, assists the trial and appellate levels of both the federal and local courts.

Several federal government law enforcement agencies, also, participate in cooperative agreements with the District of Columbia metropolitan police to assist in crime prevention and law enforcement activities.

District of Columbia revenue is derived primarily from local taxes. The District of Columbia government may also issue general obligation bonds.

Township Governments (0)

There are no township governments in the District of Columbia.

PUBLIC SCHOOL SYSTEMS (2)

School District Governments (0)

There are no independent school district governments in the District of Columbia.

Dependent Public School Systems (2)

Two public school systems are dependent on the District of Columbia government:

District of Columbia Public Schools
University of the District of Columbia

The District of Columbia Public Schools are governed by a nine-member board of education, four of whom are appointed by the mayor and confirmed by the council, four of whom are elected by and from districts, and the board president who is elected at-large. This restructured board replaced the larger elected board in January 2001. The board of education establishes policies and appoints the superintendent. A state education office, under the office of the mayor and with a director appointed by the mayor, was established in July 2000. Some responsibilities previously designated for the board of

education were transferred to this office. The Emergency Transitional Education Board of Trustees, created by the District of Columbia Financial Responsibility and Management Assistance Authority which largely directed school operations between 1996 and 2000, dissolved June 30, 2000. The District of Columbia Public Schools are classified for census purposes as a dependent agency of the District of Columbia government, and are not counted as a separate government.

Charter schools may be authorized by either the board of education or the District of Columbia Public Charter School Board, a seven-member board appointed by the mayor in consultation with the city council from a list of qualified individuals submitted by the U.S. secretary of education. Each board may authorize up to 10 charter schools for each school year and may exercise oversight responsibility for all charter schools.

Also classified as a dependent agency of the District of Columbia government, and not counted as a separate government, is the University of the District of Columbia. The university is administered by a 15-member board of trustees. Eleven trustees are appointed by the mayor with the advice and consent of the council. Three trustees holding degrees from the University of the District of Columbia or from one of the three predecessor institutions, are elected by a postal ballot election by the living graduates of the four institutions. One student trustee is selected by the university student body.

The District of Columbia School of Law was absorbed by the University of the District of Columbia in 1996.

SPECIAL DISTRICT GOVERNMENTS (1)

Metropolitan Washington Airports Authority

This authority is counted under "Virginia--Special District Governments."

Washington Metropolitan Area Transit Authority

The Washington Metropolitan Area Transit Authority operates the transit system serving the Washington area and is counted as special district government. It was created by a compact signed by the District of Columbia and the states of Maryland and Virginia, and approved by Congress. The authority is administered by a board of six directors, two from each signatory, selected as follows: Two appointed by the District of Columbia Council from its members or the mayor or the city administrator, two appointed by the Washington Suburban Transit Commission of the state of Maryland, and two appointed by the Northern Virginia Transportation Commission from the membership of each. In Maryland, following a 1992 amendment, the Governor's appointees to the Washington Suburban Transit Commission, one from Montgomery County and one from Prince Georges County, are the Maryland members of the authority.

The authority may fix rates and fares, borrow money, issue revenue bonds, and accept gifts and grants. In addition, the authority may receive appropriations from the federal government, the District of Columbia government, and participating Maryland and Virginia local governments. The District of Columbia share of the system costs may be paid from the proceeds of the sale of District general obligation bonds.

SUBORDINATE AGENCIES AND AREAS

The agencies listed below have certain of the characteristics of governmental units, but are classified as agencies of the District of Columbia government, and are not counted as separate governments.

Business improvement districts, authorized by 1996 legislation, may be created upon application to the mayor by the board of directors of a nonprofit corporation formed for the purpose of forming a business improvement district within a self-defined geographic area in which

most activity is commercial or industrial. A majority of the property owners or commercial tenants and owners, as defined by assessed valuation, must be in agreement with the application. BID activities are designed to improve the economic development climate. Revenues are derived from assessments against properties within the district, subject to member approval.

The District of Columbia Health and Hospitals Public Benefit Corporation was created to manage and control the District of Columbia General Hospital, community health clinics and certain services provided by the Department of Human Services. The corporation governing body consisted of 12 members, six of whom who were appointed by the mayor, five by the city council, plus the chief financial officer of the District of Columbia serving ex officio. The Corporation became operational October 1, 1997, and discontinued operations on April 30, 2001, when functions of the public benefit corporation were transferred to the Health Care Safety Net Administration in the District of Columbia Department of Health. The District of Columbia General Hospital closed in May 2001.

The District of Columbia Housing Authority, created in 2000 as the successor agency to the District of Columbia Housing Authority created in 1994, operates the city's public housing. The predecessor authority was, by court order, placed in receivership May 19, 1995. Receivership terminated September 30, 2000. The authority is governed by a nine-member board of commissioners consisting of four commissioners appointed by the mayor with the advice and consent of the council, three commissioners elected by residents of the authority's housing properties, one commissioner representing labor and designated by the central labor council, and the deputy mayor for planning and economic development serving ex officio. If dissolved, all assets of the authority revert to ownership by the District of Columbia government. With power delegated to the authority by the council, the authority may issue revenue bonds.

The District of Columbia Housing Finance Agency, created in 1997, is responsible for providing mortgage credit for low and moderate income housing. The mayor, with the advice and consent of the council, appoints the five-member board of directors. The agency may fix interest, fees, and charges; receive appropriations and grants; and issue revenue bonds.

The District of Columbia Tobacco Settlement Financing Corporation, created in 2000, for the purpose of securitizing the proceeds from the Tobacco Master Settlement Agreement, with the exception of the first payment of \$16.05 million. The corporation purchased the District of Columbia's right, title, and interest in the proceeds from the agreement by issuing bonds to pay the purchase price; future payments under the Master Settlement Agreement will be used will be used for debt service. The corporation is governed by a five-member board of directors consisting of the chief financial officer, the mayor or designee, and the chairman of the council of the District of Columbia; one private citizen appointed by the mayor; and one private citizen appointed by the council of the District of Columbia. With power delegated by the council, the corporation is authorized to issue revenue bonds.

The District of Columbia Tobacco Settlement Trust Fund, created in 2000, for the purpose of receiving revenue owed and accruing to the District of Columbia from the Tobacco Master Settlement Agreement, payments received with respect to residual interest, and other funds. The fund is governed by a three-member board of trustees consisting of one member appointed by the council and two by the mayor with council approval. The fund is an independent agency of the District of Columbia government and may invest and reinvest in real and personal property, stocks, bonds, etc. The board is required to submit a report of the investment performance of the fund to the council annually.

The District of Columbia Water and Sewer Authority, created in 1996, is responsible for providing water distribution services and sewage collection, treatment, and disposal to the District of Columbia

and to portions of the Metropolitan Washington area. The authority is governed by an 11-member board of directors of whom six are appointed by the mayor with the advice and consent of the council and five are appointed by the mayor upon recommendation by the other participating jurisdictions. The mayor also appoints an alternate member for each of the board members in the same manner as board members are appointed. The authority may set and collect charges for services, receive grants, and with power delegated by the council issue revenue bonds.

The District of Columbia Zoning Commission consists of the architect of the capitol (federal), the director of the National Park Service (federal), and three members appointed by the mayor with the advice and consent of the council. The commission is financed through District of Columbia government appropriations.

The National Capital Planning Commission, created by the U.S. Congress, is responsible for comprehensive planning for the physical development of the national capital and the surrounding environs. The commission is classified for census purposes as a dependent agency of the federal government.

The National Capital Revitalization Corporation, created in 1998, is a public-private entity responsible for spurring economic development in the District of Columbia by retaining and expanding businesses, attracting new businesses, and promoting job creation. The corporation is responsible for development of a revitalization plan for the District of Columbia. The corporation is governed by a nine-member board of directors of which three are designated by the President of the United States, four are appointed by the mayor with the advice and consent of the council, plus the chief financial officer and the mayor of the District of Columbia serving as voting ex officio members. Personnel or other resources of the District of Columbia government may be made available to the corporation by delegation, contract, or agreement. The corporation may establish one or more for-profit or not-for-profit corporate subsidiaries. Initial funding was a \$25 million economic development grant from the federal government. Additional investments from Fannie Mae are committed. The corporation also absorbed the Redevelopment Land Agency from the District of

Columbia and handles the disposition of real estate assets. The council of the District of Columbia delegated authority to the corporation to issue revenue bonds.

The Sports and Entertainment Commission promotes the District of Columbia as a sporting event site; coordinates development and construction of sporting facilities and related infrastructure; manages District of Columbia owned facilities, including the Robert F. Kennedy Memorial Stadium and non-military functions of the National Guard Armory; and may own and operate a professional sports franchise. An 11-member board of directors consists of eight members appointed by the mayor with the advice and consent of the council, a city government employee designated by the mayor, the chief financial officer of the District of Columbia, and the director of the recreation and parks department. The commission may fix and collect rates, rents, fees, or other charges for the use of facilities or for services rendered in connection with the use of facilities. If authorized by a two-thirds vote of its board, with the majority including the vote of the chief financial officer of the District of Columbia, the commission, with authority delegated by the council, may issue bonds payable from revenues or from pledged tax revenue dedicated by the council of the District of Columbia.

The Washington Convention Center Authority, created in 1994, was created for the purpose acquiring, constructing, maintaining, and operating a new convention center. The authority also is responsible for operation of the existing convention center until the new facility opens (March 2003). The nine-member board of directors is comprised of seven members appointed by the mayor with the advice and consent of the council plus the chief financial officer of the District of Columbia and a member designated by the mayor, both of whom shall serve as ex officio voting members. Annual operating budgets are submitted to the mayor for review and approval. With authority delegated by the council, the authority may issue bonds payable from revenues of the authority or from certain designated taxes.